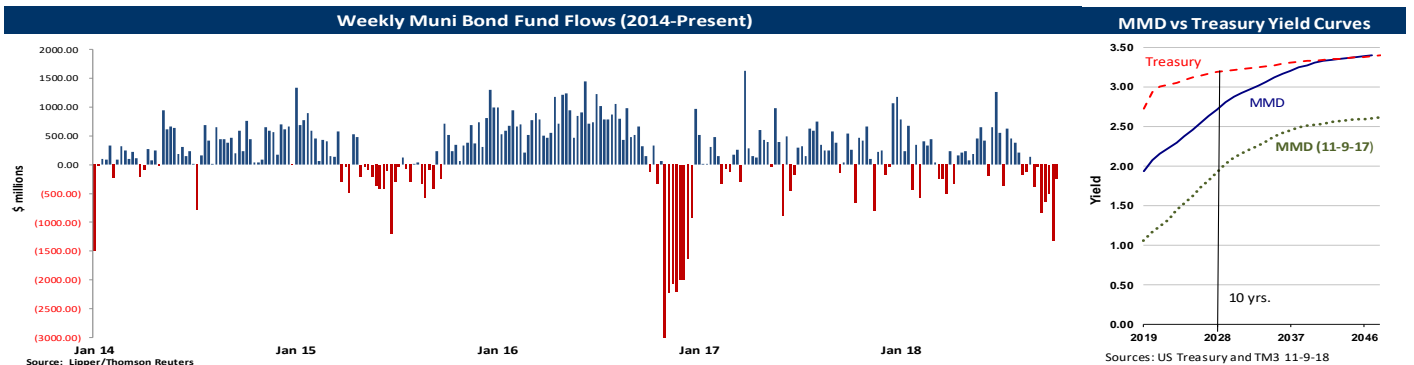
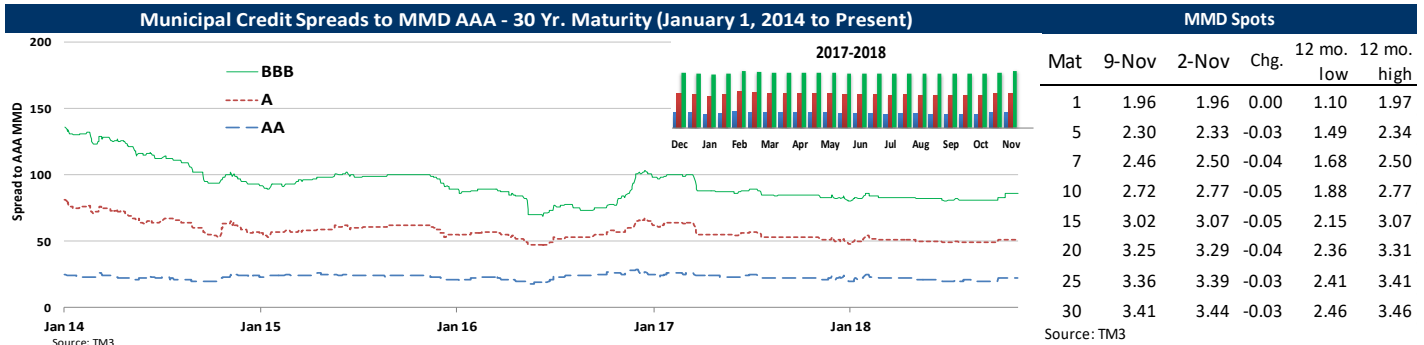


Comments:

- Last week muni volume was about \$2.3 billion. This week volume is expected to be \$7.3 billion. The negotiated market is led by \$595.0 million for Michigan Strategic Fund. The competitive market is led by \$159.8 million for Wentzville R-IV School District, Minnesota on Thursday.
- Last Friday credit spreads were unchanged for AA, A and BBB from the previous Friday.
- Weekly reporting muni bond mutual funds reported an **outflow of \$255.8 million** for the week ending November 7 after an **outflow of \$1.32 billion** for the week before. This is the 7th outflow in a row and the 9th outflow in the last 10 weeks. The eight week moving average was **negative \$481.1 million**.
- From Friday to Friday, MMD yields were unchanged in 1 year, decreased 3-4 bps in 5 to 7 years, 5 bps in 10 to 15 years and 3-4 bps in 20 to 30 years. Since the beginning of September rates are up by 22 to 38 bps across the curve. Muni/Treasury ratios for 10 and 30 year MMD maturities ended the week at 85.2% and 100.5%, respectively, about 1.0 ratios lower in 10 years and 0.9 ratios higher in 30 years.
- The 2 to 30 year MMD spread was 133 bps on Friday, 1 bp flatter than the previous Friday. Since the end of 2017, munis have steepened by 35 bps, while Treasuries have flattened by 39 bps, although munis have flattened 21 bps since early March.
- Last week munis had light volume as they focused on the mid-term elections and the FOMC meeting. All the major MMD yields set or equaled their latest twelve month highs through mid-week before bouncing back late in the week as the focus shifted more to the China trade war with Peter Navarro indicating that the final terms would be set by the U.S. and not China which caused a stumble in stocks and flight to quality bid in bonds. Munis this week see an increase in volume with fund flows continuing to be negative. Muni/treasury ratios are running at about the average for the last 3 months.

Selected Deals for the Week Ending 11/16/18				
Issuer	Par (\$mil)	Ratings (M/S&P/F/K)	U/W	
Negotiated				
Michigan Strategic Fund, Ltd Obligation Rev (I-75 Project)	595.00	Baa2/NR/NR	BAML	
South Carolina Jobs-Economic Develop. Auth, Rev (Prisma Health)	587.23	A2/A/	Wells	
Central Plains Energy Proj, NE, Gas Project Rev	526.71	A3/ /A	GS	
Department of Water & Pwr of the City of Los Angeles, CA, Water Sys Rev	426.43	Aa2/AA+/AA	RBC	
New Jersey Educational Develop Auth, School Facilt. Construction	400.00	Baa1/BBB+/A+	BAML	
City of Philadelphia, PA, Water & Wastewater Rev	275.00	A1/A+/A+	Citi	
New York State Environ. Facilt. Corp, (NYC/MWFA) SRF	255.84	Aaa/AAA/AAA	Siebert	
California Statewide Communities Develop Auth, Rev (Methodist Hosp of S. Cal.)	253.00	/BBB+/BBB+	KeyBanc	
Central Florida Expressway Auth, FL, Sr Lien Rev	223.00	A1/A+/A+	BAML	
King County, WA, Junior Lien Sewer Rev (Variable Rate Mandatory Put)	200.00	Aa2/AA/	Citi	
Florida Housing Finance Corp., FL Homeowner Mortgage Rev (PAC Mat.)	175.00	Aaa/ /	Citi	
California Educational Facilities Auth, Rev (Univ. of San Francisco)	170.00	A2/NR/NR	Barclays	
County of Santa Barbara, CA, Solid Waste Rev (COP's) (Te, AMT & Tx)	150.62	A1/AA/	RayJay	
Minnesota Housing Finance Agy, Residential Housing, (Te, AMT & Tx)	150.00	Aa1/AA+/NR	RBC	
Capital Trust Agy, FL, Senior Living Rev (American Eagle Project)	131.37	/BBB+/	Piper	
Competitive				
Thur, 11/15				
Wentzville R-IV School District, MO, GO (MO. Direct Dep. Prog.) (Underlying Aa2)	159.82	Aa1/AA+/	'20-'38	
City of Portland, OR, LT Rev.	103.71	Aaa/ /	'21-'40	
Sources: Bond Buyer and IPREO				

Bold=Mischler



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